

FINANCE COMMITTEE LEWISTON, MAINE

**Minutes of
February 11, 2008**

PRESENT: Chairman Roger Provencher, Ronald Paradis and Councilor Denis Theriault. Stavros Mendros arrived at 5:28 p.m.

ABSENT: Councilor Robert Reed

Meeting was called to order at 5:05 p.m. by the Chairman Provencher.

On motion of Mr. Paradis , seconded by Mr. Theriault it was

VOTED:

(12-2008) To dispense with reading of the minutes of the previous meeting dated January 22, 2008 and to accept and place them on file.

VOTE: 3-0

The Committee reviewed the request to ratify the award of the contract to St. Laurent & Son Inc. for emergency repairs to the 12" sewer line under a section of Main Street between Blake and Bates Street. Of all the proposals solicited, St. Laurent & Son, Lewiston, Maine was the low bidder with a base bid of \$51,000 and with the alternate bid of \$12,600. The contract was awarded to St. Laurent & Son and the base bid portion of the contract has been completed.

On recommendation of the Purchasing Agent and on motion of Mr. Paradis, seconded by Mr. Theriault it was

VOTED:

(13-2008) To ratify the award of the bid (2008-010) for Emergency Repairs to a 12" Sewer Line on Main Street to St. Laurent & Son Inc., Lewiston, Maine, low bidder at their total bid price of \$63,600 (Base Bid plus alternate).

VOTE: 3-0

A request was before the Committee for a contract Amendment with Sebago Technics to provide design and permitting services for Gendron Business Park Phase II development. The additional work required was largely the result of permitting requirements with the Maine DEP and the Army Corps of Engineers.

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On recommendation of the Purchasing Agent and on motion of Mr. Theriault, seconded by Mr. Paradis it was

VOTED:

(14-2008) To authorize Contract Amendment for the Gendron Business Park Phase II design with Sebago Technics, to provide for permitting, conservation easements and reimbursable expenses associated with the scope at a fee not to exceed \$52,000.

VOTE: 3-0

The Committee reviewed the proposals received for the replacement of the roof at the police station which is in dire need of replacement. The proposed work must be completed no later than April 18, 2008. The low bidder, Kevin W. Smith & Son Inc., Mars Hill, Maine, has not performed work for the City in the past however, in discussions with the City's Roofing Consultant Walter Barschorf, the contractor has completed over twelve (12) projects with the company and there have been no problems in performance or quality of work. A Materials, Labor and Performance Bond is required as part of the project.

On recommendation of the Purchasing Agent and on motion of Mr. Provencher, seconded by Mr. Theriault it was

VOTED:

(15-2008) To award Bid 2008-005 on a Police Building Roof Replacement Project to Kevin W. Smith & Son, Mars Hill, Maine, low bidder at their total bid price including Alternate #2 of \$72,222.

VOTE: 3-0

On recommendation of the Purchasing Agent and on motion of Mr. Paradis, seconded by Mr. Theriault it was

VOTED:

(16-2008) To award Bid 2008-004 on the Police Building Roof Top Air Conditioning units to Mechanical Services Inc., Portland, Maine, low bidder on the alternate bid using High Efficiency units at a total bid price of \$79,990.

VOTE: 3-0

Stavros Mendros arrived at the meeting at 5:28 p.m.

At this time, the Committee reviewed the fiscal impact section of the Fiscal Year 2009 Lewiston Capital Improvement Program. The fiscal impact section identified the impact of debt issuance to finance municipal projects in fiscal year 2009 which was proposed to be \$21,007,000. It was pointed out to the Committee that the LCIP is a planning document and funding of all of these projects are not being recommended at this time. The Committee reviewed the list of current bond issue projects

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which the City is currently paying for as well as authorizations which have been approved by the City Council. The total estimated bonded debt as of June 30, 2008 is \$150,634,756. The Committee also reviewed the future debt service impact of the proposed projects if all of them would be authorized.

After questions and answers relative to the financial impact of the proposed debt issuance, the following action was taken.

On motion of Mr. Provencher , seconded by Mr. Mendros it was

VOTED:

(17-2008) After review of the Fiscal Year 2009 Capital Improvement Program and the impact on the City's bonded indebtedness, the Finance Committee wishes to caution the City Council that bonded indebtedness increases should only be made commensurate with dedicated revenues and projected increases in the City's tax base. Bonded debt increases over the past four (4) years have averaged over 13% per year. Annual increases at this level going forward are not sustainable over the long term to the taxpayers of this community.

VOTE: 4-0

VOTED:

To adjourn at 6:04 p.m.

Richard T. Metivier
Clerk
Finance Committee